

**I. Summary of Office Action**

Claims 1-37 are pending in the application.

The Examiner rejected claims 1-37 under 35 U.S.C. § 102(e) as being anticipated by Levchin et al. International Publication No. WO 00/67177 (hereinafter, "Levchin").

**II. Summary of Applicant's Reply**

Applicant thanks the Examiner for withdrawing the rejections that were set forth in the Office Action mailed on May 4, 2005.

Claims 4, 5, and 20 have been amended to correct a typographical error and to more particularly define the present invention. No new matter is added by the amendments to the claims.

Applicant respectfully traverses the Examiner's rejection under 35 U.S.C. § 102(e). Reconsideration of this application in light of the following is respectfully requested.

**III. The Rejection of Independent Claims 1-37 Under 35 U.S.C. § 102(e)**

Beginning on page 2 of the Office Action, the Examiner rejected each of claims 1-37 under 35 U.S.C. § 102(e) as being anticipated by Levchin. In accordance with the details below, the Examiner's rejection of claims 1-37 is respectfully traversed.

Independent claim 1 relates to a method for tracking and storing network-based transactional data, and recites the following:

- (a) identifying a plurality of users by respective user identifiers;
- (b) storing the user identifiers in a first database;
- (c) associating a transaction identifier with a transaction between at least two users having user identifiers; and
- (d) storing the transaction identifier, the user identifiers of the at least two users involved in the transaction, and transactional data relating to the transaction in a second database, wherein at least some of the transactional data stored in the second database is accessible by each of the at least two users involved in the transaction; and
- (e) updating the transactional data that is at least partially accessible by each of the at least two users involved in the transaction.

One example of a scenario where the present invention may be employed is where a buyer and a seller enter into a transaction relating to the purchase of a product. Prior to its completion, the transaction may pass through several stages, such as an offer stage, a counter-offer stage, an acceptance stage, a payment stage, a dispute stage, and a delivery stage. According to the invention as recited in claim 1, a database stores, *inter alia*, transactional data relating to the transaction. Moreover, at least some of this transactional data is accessible by both the buyer and the seller that are involved in the transaction. Thus, the buyer and the seller are able to obtain uniform information regarding the transaction.

Levchin, on the other hand, describes a system for electronically exchanging value among distributed users. For example, in Levchin, a first party initiates a transaction on a mobile computing device with a second party by providing an identifier of the second party to the system, such as an e-mail address, and choosing a value to be exchanged (e.g., removed from an account of the first party and provided to an account of the second party). Once it has received the transaction request from the first party, for example, the system contacts the second party and, if the second party is not a registered user of the system, he or she is invited to register and complete (or “clear”) the transaction.

Contrary to the Examiner’s contention on pages 2-3 of the Office Action, Levchin does not anticipate independent claim 1. For example, Levchin does not show or suggest “(b) storing ... user identifiers in a first database” and “(d) storing the transaction identifier, the user identifiers ... and transactional data ... in a second database” as recited in claim 1 (emphasis added). Rather, Levchin only discloses the use of a single database (*i.e.*, database 102 shown in FIG. 1) for storing user records and the like (*see, e.g.*, page 12, line 3 through page 13, line 27 of Levchin, which includes all of the portions of Levchin cited by the Examiner in connection with elements (b) and (d) of applicant’s claim 1).

As another example, applicant respectfully submits that Levchin fails to show or suggest “storing ... transactional data relating to [a] transaction ... wherein at least some of the transactional data ... is accessible by each of the at least two users involved in the transaction” as recited in independent claim 1. With regard to page 12, lines 3-27 of Levchin, which the Examiner referenced on page 3 of the Office Action in support of the contention that Levchin discloses such transactional data, applicant respectfully notes that this portion of Levchin merely

describes the manner in which a first party (“USER1”) may initiate a transaction with a second party (“USER2”) using a value exchange system. As explained in this portion of Levchin, USER1 may indicate an exchange value to be provided to USER2 through the system, and the system may keep track of USER1’s account balance, require USER1 to enter a security code, and perform other functions related to the transaction. Nowhere in this portion or any other portion of Levchin, however, is it shown or suggested that at least some of the same transactional data relating to a transaction (e.g., indicating the particular stage of a transaction) between USER1 and USER2 be accessible to both parties.

Moreover, because Levchin does not show or suggest any transactional data relating to a transaction that is at least partially accessible by each user involved in the transaction, Levchin also fails to show or suggest “updating the transactional data that is at least partially accessible by each of the at least two users involved in the transaction” (emphasis added), as recited in independent claim 1.

Consequently, it is respectfully submitted that claim 1 is patentable over Levchin. Reconsideration is respectfully requested.

Applicant notes that each of independent claims 24, 34, and 36 also recite the above-described first and second database recited in claim 1, and the above-described transactional data recited in claim 1. Therefore, these claims are patentable over Levchin for at least the same reasons provided for claim 1. In addition, dependent claims 2-23, 25-33, 35, and 37, each of which depends from one of independent claims 1, 24, 34, and 36, are allowable for at least the reasons mentioned above.

Notwithstanding applicant’s contention that all dependent claims are allowable over the Levchin reference for the same reasons the independent claims are allowable over Levchin, applicant sets forth below several examples of dependent claims that include additional features that further demonstrate the patentability of the dependent claims over Levchin. It should be understood that the dependent claims discussed are only examples and that applicant contends that each dependent claim recites features that further demonstrate the patentability of the dependent claims over Levchin.

One example of a dependent claim that includes additional features that further demonstrate patentability over Levchin is claim 8, which recites “associating at least one surrogate identifier with the transaction identifier and providing the at least one surrogate identifier to the at least two users involved in the transaction.” In rejecting applicant’s claim 8, the Examiner, referencing page 10, lines 29-33 and page 1, lines 1-5 of Levchin, asserted that “‘surrogate identifier’ reads on ‘indirect transfer.’” Applicant notes that the “indirect transfer” referred to in this portion of Levchin merely refers to a transaction that includes a first party initiating the transaction, and the system contacting the second party to complete the transaction. Such “indirect transfer” as disclosed in Levchin, however, is irrelevant to the use of a surrogate identifier as recited in applicant’s claim 8. Moreover, nothing else disclosed in the portion of Levchin cited by the Examiner, or in any other portion, suggests the use of a surrogate identifier as recited in claim 8, which is allowable over Levchin for this additional reason as well.

For at least the same reasons, claims 20 and 21, each of which either directly or indirectly depends from claim 8 and also recites the above-described surrogate identifier, are further patentable over Levchin.

Other examples of dependent claims having additional patentable features include dependent claim 10, which recites “wherein the transaction between the at least two users includes transactions having one or more stages,” and dependent claims 12 and 28, which both recite “wherein the transactional data includes data from one or more stages of the transaction.” Although in Levchin, transactions are described in terms of whether or not they have been “cleared,” nowhere in Levchin, including page 7, lines 8-31 cited by the Examiner on page 5 of the Office Action, is a transaction or transactional data that includes one or more “stages” as recited in claims 10, 12, and 28 shown or suggested. Accordingly, claims 10, 12, and 28 are therefore allowable over Levchin for this additional reason as well.

Claims 15 and 30 are further examples of dependent claims which have patentable features in addition to those found in their respective independent claims. Both of these claims recite “wherein the characteristics of [a] transaction include anticipated stages of the transaction.” However, as explained above, none of the transactions in Levchin are shown or suggested to include “stages,” much less “anticipated stages” as recited in claims 15 and 30.

Accordingly, dependent claims 15 and 30 are allowable over Levchin for this additional reason as well.

#### **IV. Conclusion**

Applicant respectfully submits that, as described above, Levchin does not show or suggest the combination of features recited in the claims. Applicant does not concede that the Levchin shows any of the elements recited in the claims. However, applicant has provided specific examples of elements in the claims that are clearly not present in Levchin.

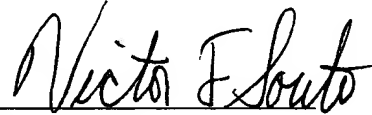
Applicant strongly emphasizes that one reviewing the prosecution history should not interpret any of the examples applicant has described herein in connection with distinguishing over the cited reference as limiting to those specific features in isolation. Rather, applicant asserts that it is the combination of elements recited in each of the claims, when each claim is interpreted as a whole, which is patentable. Applicant has emphasized certain features in the claims as clearly not present in Levchin, as discussed above. However, applicant does not concede that other features in the claims are found in this cited reference. Rather, for the sake of simplicity, applicant is providing examples of why the claims described above are distinguishable and thus patentable over Levchin.

Further, applicant hereby retracts any arguments and/or statements made during prosecution that were rejected by the Examiner during prosecution and/or that were unnecessary to obtain allowance, and only maintains the arguments that persuaded the Examiner with respect to the allowability of the patent claims, as one of ordinary skill would understand from a review of the prosecution history. That is, applicant specifically retracts statements that one of ordinary skill would recognize from reading the file history were not necessary, not used and/or were rejected by the Examiner in allowing the patent application.

For all the reasons advanced above, applicant respectfully submits that the rejection of claims 1-37 has been overcome and should be withdrawn. Accordingly, applicant respectfully submits that the application, including each of claims 1-37, is in condition for allowance. Reconsideration and prompt allowance of this application are respectfully requested.

Respectfully submitted,

WILMER CUTLER PICKERING  
HALE AND DORR LLP



Victor F. Souto  
Registration No. 33,458  
Attorney for Applicant

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Wilmer Cutler Pickering  
Hale and Dorr LLP  
399 Park Avenue  
New York, NY 10022  
Tel: 212-230-8800  
Fax: 212-230-8888  
Customer No. 28089